



RSPB Scotland's T3 Draft Determination response

The RSPB is Europe's largest nature conservation charity, with over 1.2 million members. We work on a wide range of environmental policy work domestically throughout the UK and internationally, including through BirdLife International. The RSPB's policy work covers a range of issues including nature, climate change, sustainable land and marine management, agriculture, and planning. Our strategy is to tackle the nature and climate emergencies together, helping to create a net-zero and nature-positive world. This response is not confidential.

ETQ11. Do you have any views on our proposed approach to biodiversity funding, notably whether it is appropriate or not for consumers to fund biodiversity outputs beyond legislative requirements?

- The draft determinations use of 'legislative requirements' as to which biodiversity outcomes are appropriate for consumers to fund fails to take into account the devolved planning policy context in Scotland.
- It would be useful if Ofgem could set out why a legislative requirement been chosen over a planning policy requirement as the determinant of what is 'proportional or good value' with regards to environmental compensation – particularly when paragraph 3.120 of the 'RIIO-3 Draft Determinations Electricity Transmission' document, requires TOs to meet national planning policy.
- Given the worsening nature crisis, the instigation of net gain regimes across the UK (as part of government's response to this crisis), and the significantly expanded transmission grid upgrade programme in T3 (particular in Scotland); increased outcomes from ET2 is not a sound rationale for rejecting additional biodiversity commitments.
- We agree that significantly increased TO biodiversity outputs will be challenging to deliver optimally, but again it's not clear why that has

any bearing on why sufficient funding to comply with national planning policy shouldn't be provided.

- Public support for nature recovery is high¹, and consumers increasingly expect regulated infrastructure to deliver environmental and societal benefits as part of their core operations. Investment in biodiversity through energy infrastructure projects delivers long-term value: it improves resilience, enhances public goods, and contributes to national and international biodiversity targets. In the current regulatory period, Ofgem has supported and incentivised biodiversity actions beyond legal compliance, as has Ofwat's recent price review. Any reversal represents a step backwards.

SHETQ3. Do you agree with our proposal to reject SHET's Species and Habitat UIOLI?

We believe that Ofgem's consumer value rationale for rejecting SHET's Species and Habitat UIOLI misses several fundamental points:

- Whilst essential for delivering net zero in Scotland and across the UK, SHET's delivery of significant transmission network expansion across the North of Scotland will have significant impacts on the natural environment – including on irreplaceable habitats and nationally rare species².
- Many of these impacts will not be addressed by SHET's EAP commitment to deliver 10% BNG on all projects requiring planning consent – the BNG toolkit is unable to take them into account. We therefore reject the notion that the Species and Habitat will duplicate funding for BNG delivery.
- As a national development, Scottish planning policy requires all transmission upgrades to deliver 'significant enhancements'. The UK Government's own BNG impact assessment modelling found that 10%

¹ [Government planning reforms out of touch with public demand for nature](#)

² [Power lines and impacts on biodiversity: A systematic review](#)

represented the '*lowest level of net gain that the department could confidently expect to deliver genuine net gain, or at least no net loss, of biodiversity*'.³

- We therefore do not consider the 10% BNG commitment to be sufficient to deliver significant enhancements. Achieving this Scottish planning policy requirement will require bespoke conservation activities, as envisioned by SHET's Species and Habitat UIOLI.
- This is particularly the case because, the proposed network expansion across the North of Scotland will have significant impacts on species⁴ – which cannot be addressed through the habitat lens of the BNG toolkit.
- Given the scale of grid upgrades in Scotland, these species impacts will have a material influence on Scotland's ability to halt biodiversity decline by 2030.
- Ofgem itself concludes this in paragraph 3.120 of the 'RIIO-3 Draft Determinations – Electricity Transmission document, which states that '*We expect TOs to ensure their biodiversity approach delivers both cost efficiency and environmentally optimal outcomes in both England and Wales, and Scotland. This may also include strategic investments in addition to meeting national planning policy and consenting requirements, used to achieve 10% BNG.*'
- It is our view that the proposed Species and Habitat UIOLI will be required to deliver environmentally optimal outcomes to meet SHET's requirements under Scottish national planning policy, let alone to pursue strategic investments over and above these requirements.
- As set out in our response to ETQ11, we do not consider funding that will be required to meet Scotland's national planning policy to constitute 'wider business plan activity', but core funding required to secure planning consent and SHET's social license to operate.

³ [181121 Biodiversity Net Gain Consultation IA FINAL for publication.pdf](#)

⁴ [Guidance - Assessment and mitigation of impacts of power lines and guyed meteorological masts on birds | NatureScot](#)